

4 April 2014

Telecom Plus PLC

Trading Update and Notice of Results

Telecom Plus PLC (trading as the Utility Warehouse), which supplies a wide range of utility services to both residential and business customers, today issues a trading update for its financial year ending 31 March 2014.

Highlights

- Strong final quarter
- Confident of reporting full year profits in line with market expectations
- Intention to pay a final dividend of 19p per share making a total dividend of 35p per share (2013: 31p)
- Final results expected to be reported on 21 May 2014

We are delighted with the continuing strong performance of the business during the final quarter.

Since launching our new bundled tariff structure in November 2013, the proportion of new members taking all five of our core services (gas, electricity, landline, broadband and mobile) has increased significantly to over 20%, and the proportion taking our mobile services has risen to over 35%. These encouraging metrics support our continuing focus on improving customer quality and reducing churn.

Profitability for the year to 31 March 2014 remains in line with consensus market expectations, notwithstanding reduced levels of energy consumption by customers during what has been an exceptionally warm winter. It remains our intention (as previously stated) to recommend a final dividend of 19p per share, which would bring the total dividend for the year to 35p per share (2013: 31p).

Around 7,500 distributors booked to attend our annual sales conference which was held on the weekend of the 22/23 March. We launched a number of exciting new tools designed to help them build their businesses more effectively. These included a new customer film featuring Sir Terry Wogan (www.jointheclub.co.uk), a simplified new online application process, an animated video to explain the business opportunity, a new App which provides access in one place to all the main resources needed by a distributor, and an interest-free hire purchase scheme to enable them to acquire a suitable Tablet to take advantage of all these new tools.

We have seen an extremely positive initial reaction to this new package of resources, with a surge in the number of new distributors joining the business over the last 10 days. This has driven demand for our classroom based skills training course to over five times the usual level, and means we will need to provide over 6,000 training places during April. Historically, there has always been a direct correlation between distributor recruitment and customer gathering, and on that basis we anticipate the record number of new distributors we are now seeing will have a positive impact on our reported customer growth for the current quarter, and throughout the coming year.

Final Results Date

We expect to report our results for the year ending 31 March 2014 on Wednesday 21 May 2014.

Andrew Lindsay, Chief Executive Officer, said:

“The recent significant increase in the number of distributors joining the business, combined with the new tools we have just introduced, have the potential to materially accelerate our current growth rate and substantially increase our market share over the next few years.”

“Our focus going forward is to secure our position as the nation’s most trusted utility supplier, supporting our distributors as they continue to spread the word about the convenience, savings and exceptional customer service we provide to ever increasing numbers of households across the length and breadth of the Country.”

For more information please contact:

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About Telecom Plus PLC ('Telecom Plus'):

www.utilitywarehouse.co.uk

Telecom Plus, which owns and operates the Utility Warehouse brand, is the UK's only fully integrated provider of a wide range of competitively priced utility services spanning both the Communications and Energy markets.

Customers benefit from the convenience of a single monthly statement, consistently good value across all their utilities and exceptional levels of customer service. Telecom Plus does not advertise, relying instead on 'word of mouth' recommendation by existing satisfied customers and distributors in order to grow its market share.

Telecom Plus also has a 20% shareholding in Opus Energy Group Ltd, a successful, profitable and fast growing independent supplier of Gas and Electricity to small, medium and large business customers.

Telecom Plus is listed on the London Stock Exchange (Ticker: TEP LN). For further information please visit: www.telecomplus.co.uk.